ORANGE COUNTY TRANSPORTATION AUTHORITY 2025 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Active Transportation

AB 544 (Davies, R-Oceanside): Electric bicycles: required equipment.
(Chapter 36, Statues of 2025)
AB 544 requires any electric bicycle to be equipped with a red reflector or a solid/flashing red light with a built-in reflector on the rear that is visible from 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. AB 544 also expands citation requirements. Specifically, it states that if the violation involves an electric bicycle, and the citation was due to lacking the required equipment, the individual must complete an electric bicycle safety course to further avoid penalties.

Orange County Transportation Authority (OCTA) Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 544 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 545 (Davies, R-Oceanside): Vehicles: electric bicycles.
(Chapter 37, Statues of 2025)
AB 545 prohibits a person from selling an application that can modify the speed capability of an electric bicycle.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 545 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 965 (Dixon, R-Newport Beach): Vehicles: electric bicycles.
(Chapter 65, Statues of 2025)
AB 965 prohibits the sale of a class 3 electric bicycle to a person under 16 years of age and makes a violation of that prohibition an infraction punishable by a fine of up to $250.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 965 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

II. Artificial Intelligence

AB 853 (Wicks, D-Oakland): California AI Transparency Act.
(Chapter 674, Statutes of 2025)
AB 853 delays the implementation of the California AI Transparency Act from January 1, 2026 to August 2, 2026, and expands the law to strengthen content authenticity and disclosure requirements for artificial intelligence (AI) and digital media. Beginning January 1, 2027, large online platforms such as social media or file-sharing services must detect and display provenance data that identifies whether content was created or altered using generative AI or a digital capture device. These platforms must also preserve embedded authenticity data and provide users with clear information about a piece of content's origin and modification history. Starting January 1, 2028, manufacturers of cameras, smartphones, and other devices capable of capturing photos, video, or audio must embed latent disclosures in captured content that include the manufacturer name, device model, and creation date and time. Additionally, platforms hosting generative AI models will be prohibited from knowingly offering systems that fail to include required disclosures.

OCTA Position – Monitor

Impact on OCTA: *While AB 853 primarily applies to AI developers, online platforms, and device manufacturers, its transparency and disclosure standards may affect how public agencies use or distribute AI-generated content. OCTA may need to ensure compliance if using AI-generated or modified images, videos, or audio are used in public communications, advertising, or digital media.*

AB 979 (Irwin, D-Thousand Oaks): California Cybersecurity Integration Center: artificial intelligence.
(Chapter 285, Statutes of 2025)
AB 979 directs the California Cybersecurity Integration Center within the Office of Emergency Services to develop a California AI Cybersecurity Collaboration Playbook by January 1, 2027. The playbook will guide state agencies and partners in managing cybersecurity risks associated with AI and promote stronger collaboration between the cybersecurity and AI sectors. The playbook must be created in consultation with the Office of Information Security and the Government Operations Agency and will draw upon federal requirements, industry standards, and best practices, including those developed by the Joint Cyber Defense Collaborative. It will include mandatory and voluntary mechanisms for information sharing about AI-related cyber threats and vulnerabilities and establish confidentiality protections for shared information.

OCTA Position – Monitor

Impact on OCTA: *While AB 979 primarily applies to state-level cybersecurity entities, it may influence future cybersecurity and AI information-sharing frameworks that include local and regional agencies.*

SB 53 (Wiener, D-San Francisco): Artificial intelligence models: large developers. (Chapter 138, Statutes of 2025)

SB 53 establishes statewide requirements for developers of large-scale AI models, known as “frontier models.” The law requires these developers to disclose safety and security measures, risk mitigation strategies, and testing outcomes for systems that could pose significant societal or infrastructure risks. It also includes whistleblower protections for employees reporting safety concerns and preempts local governments from adopting separate AI regulations to maintain a consistent statewide framework. SB 53 further creates CalCompute, a new state entity that will provide public-sector access to advanced computing resources and support state oversight of AI systems.

OCTA Position – Monitor

Impact on OCTA**:** *While SB 53 primarily regulates AI developers, it is relevant to OCTA as the agency increasingly integrates AI-based tools, such as ChatGPT and similar systems into its work processes.*

SB 243 (Padilla, D-El Centro): Companion chatbots.
(Chapter 677, Statutes of 2025)

SB 243 establishes new safety and transparency requirements for operators of companion chatbot platforms, AI systems that simulate human-like, emotionally responsive interactions. The bill requires operators to clearly disclose to users that they are interacting with an AI system rather than a human. For users known to be minors, operators must display reminders at least every three hours that the chatbot is not human and encourage breaks in use. The bill also requires operators to maintain and publicly disclose protocols to prevent chatbots from generating suicidal ideation, self-harm, or sexually explicit content involving minors. Beginning July 1, 2027, operators must report annually to the Office of Suicide Prevention on their safety protocols and response systems. Individuals harmed by violations of these requirements may bring civil actions for damages or injunctive relief.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While SB 243 primarily applies to AI-driven companion chatbot platforms used for social or emotional engagement, OCTA should be mindful of its provisions when deploying AI-based tools for customer service or communications.*

III. Audits, Records, Reports, and Litigation

AB 538 (Berman, D-Palo Alto): Public works: payroll records.
(Chapter 616, Statutes of 2025)

AB 538 requires awarding agencies of public work projects to obtain certified payroll records from contractors upon a public request if those records are not already in the agency’s possession. Contractors must provide the requested records within ten days of receiving written notice, or they may face penalties enforced by the Division of Labor Standards Enforcement.

OCTA Position – Monitor

Impact on OCTA: *The bill increases administrative responsibilities for awarding agencies like OCTA when responding to public payroll record requests. OCTA may need to coordinate more closely with contractors to ensure timely submission of certified payroll records to maintain compliance and avoid project delays.*

SB 580 (Durazo, D-Los Angeles): Attorney General: immigration enforcement policies.
(Chapter 580, Statutes of 2025)
SB 580 requires the Attorney General to develop and publish new statewide model policies governing interactions between state and local agencies and federal immigration authorities. The policies, due by July 1, 2026, must be consistent with federal and state law and are intended to limit cooperation with immigration enforcement to the fullest extent possible. By January 1, 2027, all state and local agencies must implement these model policies or adopt equivalent policies. The bill also requires the Attorney General to issue guidance, audit criteria, and training recommendations for databases operated or managed by state and local agencies to ensure that information within those systems is not used for immigration enforcement purposes, except as required by law.

OCTA Position – Monitor

Impact on OCTA: *OCTA may need to review and update its internal policies and staff procedures to align with the Attorney General's forthcoming model standards by the January 1, 2027, implementation deadline.*

SB 827 (Gonzalez, D-Long Beach): Local agency officials: training.
(Chapter 661, Statutes of 2025)
SB 827 expands mandatory ethics training requirements for local agency officials to include department heads and similar administrative officers. The bill shortens the deadline for newly appointed officials, starting January 1, 2026, to complete their first ethics training from one year to six months. It also requires agencies to post online information on how to request training records. In addition, the bill establishes a new requirement that all local agency officials receive at least two hours of fiscal and financial training every two years. This training must cover topics such as budgeting, auditing, debt management, and safeguarding public funds. Agencies may partner with professional providers or associations to deliver training and must maintain participation records for at least five years.

OCTA Position – Monitor

Impact on OCTA: *OCTA will need to ensure that all Board Members, executives, and designated staff complete both ethics and fiscal training within the specified timelines and* *that training records are maintained and accessible online. These changes align with OCTA's existing governance and transparency practices, requiring only minor administrative adjustments.*

IV. Employment Terms and Workforce Development

AB 406 (Schiavo, D-Santa Clarita): Employment: unlawful discrimination: victims of violence.
(Chapter 148, Statutes of 2025)
AB 406 provides technical clean-up to California's leave and anti-discrimination protections for employees who are victims of violence or who have family members who are victims. Specifically, the measure restores previous Labor Code provisions for alleged violations occurring on or before December 31, 2024, confirming those are to be processed under the Labor Commissioner, while confirming that, going forward, enforcement will be handled by the Civil Rights Department under the Government Code.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Overall, the impact is technical in nature, primarily involving policy alignment.*

AB 889 (Hadwick, R-Jackson): Prevailing wage: per diem wages.
(Chapter 626, Statutes of 2025)
AB 889 makes changes to the calculation of prevailing wage requirements by eliminating the ability of the Director of Industrial Relations to grant exemptions from the annualization rule, which requires employer benefit contributions to be calculated across all hours worked on both public and private projects. It revokes all prior exemptions issued before January 1, 2026, and allows employers to take full credit for contributions to defined contribution pension plans with immediate participation and vesting. Employers must provide records verifying proper calculation of benefit credits or risk denial of credit by the Labor Commissioner.

OCTA Position – Monitor

Impact on OCTA: *For information purposes only.*

AB 1286 (Boerner, D-Solana Beach): Political Reform Act of 1974: prospective employment.
(Chapter 186, Statues of 2025)
Under the Political Reform Act of 1974, elected public officials are required to file statements disclosing their investments in property on the date they assume office, income received during the 12 months before assuming office, and they must file subsequent statements at intervals specified by regulations of the Fair Political Practices Commission and upon leaving office. AB 1286 would additionally require elected public

officials to disclose arrangements for prospective employment. This is defined as a prospective employer's offer of employment being accepted by the prospective employee via verbal or written acceptance. AB 1286 clarifies that these requirements also pertain to public officials who are appointed or nominated.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1398 (Valencia, D-Anaheim): Workers' compensation.
(Chapter 640, Statutes of 2025)
AB 1398 amends disclosure requirements within the workers' compensation system. The bill requires all interested parties, including physicians, attorneys, employers, claims administrators, and service providers, to provide written disclosure of any financial interest when submitting a claim for payment for referred services. The disclosure must be made to the third-party payer or entity receiving the claim. Violations are subject to misdemeanor penalties, civil fines, and potential professional disciplinary action.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1510 (Committee on Public Employment and Retirement): Santa Clara Valley Transportation Authority: employee relations.
(Chapter 454, Statutes of 2025)
AB 1510 clarifies the legal process for appealing or enforcing decisions made by the Public Employment Relations Board (PERB) in labor disputes involving the Santa Clara Valley Transportation Authority (VTA). Under prior law, PERB had jurisdiction to resolve unfair labor practice cases involving VTA employees, but procedures for seeking judicial review or enforcement of those decisions were not explicitly defined. This bill closes that gap by allowing any party to a PERB case, such as VTA, a union, or an employee, to file a petition for judicial review (a writ of extraordinary relief) in the district court of appeal within 30 days of PERB's final decision.

The bill also allows PERB itself to seek enforcement of its orders in a superior or appellate court if a party fails to comply and no timely appeal is filed. In such cases, courts are limited to confirming procedural compliance rather than reconsidering the merits of PERB's ruling. The measure is narrowly tailored to apply only to VTA, recognizing the agency's unique governance structure and workforce size.

OCTA Position – Monitor

Impact on OCTA: *While AB 1510 applies only to VTA, it could serve as a procedural precedent for other large transit agencies if similar legislation is proposed in the future.*

SB 294 (Reyes, D-San Bernardino): The Workplace Know Your Rights Act.
(Chapter 667, Statutes of 2025)
SB 294 establishes the *Workplace Know Your Rights Act*, requiring employers to provide employees with annual written notice of their rights under state and federal labor and constitutional laws. Beginning February 1, 2026, and annually thereafter, employers must distribute a stand-alone notice outlining key worker protections, including rights related to workers' compensation, immigration enforcement notifications, union organizing, and interactions with law enforcement. Employers must also provide this notice to new hires upon employment and to any authorized union representatives each year.

The Labor Commissioner is directed to create a model template notice by January 1, 2026, and to update it annually. By July 1, 2026, the Labor Commissioner must also produce two educational videos, one for employees explaining their rights and one for employers explaining compliance obligations. These materials must be available in multiple languages.

Additionally, the law requires employers to offer employees an opportunity to designate an emergency contact to be notified in the event of an arrest or detention at the worksite, with compliance required by March 30, 2026. Employers who fail to comply may face civil penalties of up to $500 per employee per violation, with higher penalties for violations related to emergency contact notifications. Retaliation against employees for exercising their rights under this law is expressly prohibited.

OCTA Position – Monitor

Impact on OCTA: *OCTA will need to ensure compliance with these provisions.*

SB 301 (Grayson, D-Walnut Creek): County Employees Retirement Law of 1937: employees.
(Chapter 749, Statutes of 2025)
SB 301 clarifies that counties and districts participating in the County Employees Retirement Law of 1937 (CERL) may not exclude any employee, group, or classification from membership in their retirement system, except for those already defined as "excludable officers and employees" under existing law. Excludable positions include those deemed temporary, seasonal, intermittent, or part-time only, as determined by the retirement board, or those otherwise excluded under specified provisions of CERL.

The bill declares that this clarification is declaratory of existing law, meaning it does not create new requirements but reaffirms current obligations to ensure consistency in public employee retirement coverage across counties and districts.

OCTA Position – Monitor

Impact on OCTA: *OCTA employees are members of the Orange County Employees Retirement System (OCERS), which operates under CERL. No operational or financial* *impacts are anticipated, but OCTA should remain aware of this clarification to ensure continued compliance and consistency with state retirement law.*

SB 513 (Durazo, D-Los Angeles): Personnel records.
(Chapter 654, Statutes of 2025)
SB 513 expands existing labor law to clarify that personnel records related to employee performance include education and training records. Employers who maintain such records must ensure they include the following information:

- Employee name
- Training provider name
- Duration and date of training
- Core competencies taught, including equipment or software skills
- Resulting certification or qualification

The bill maintains the existing employee right to inspect and copy personnel records within 30 days of a written request (extendable to 35 days by agreement). It also establishes that failure to provide access may result in a $750 penalty, injunctive relief, and attorney's fees. Violations are classified as an infraction under the Labor Code.

OCTA Position – Monitor

Impact on OCTA: *SB 513 will require OCTA to update its internal personnel recordkeeping procedures*

SB 521 (Gonzalez, D-Long Beach): Public employment: disqualification.
(Chapter 92, Statues of 2025)
Under current law, a person can be disqualified from public employment for five years if the employee is convicted of any felony involving bribes, embezzlement of public money, theft of public money, or conspiracies to commit any of the previously mentioned crimes arising directly out of their official duties. Public employment is defined in this bill as any person employed at will for the purpose of providing services to an elected public officer who takes public office or is reelected to public office. SB 521 expands existing law to include felonies involving a conflict of interest. In addition, the disqualification expands to a city manager or city attorney position if they are convicted of any of the above-described felonies.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 590 (Durazo, D-Los Angeles): Paid family leave: eligibility: care for designated persons.
(Chapter 772, Statutes of 2025)
SB 590 expands California's Paid Family Leave (PFL) program to cover time off to care for a "designated person", someone related by blood or whose association is the

equivalent of a family relationship, beginning July 1, 2028. When a worker first claims PFL to care for a designated person, they must identify that person and attest under penalty of perjury to the nature of the relationship. The bill does not change the existing PFL benefit structure.

OCTA Position – Monitor

Impact on OCTA: *OCTA may need to update internal leave coordination and HR policies to ensure consistency between the state's PFL program and job-protected leave under the CFRA, which already includes "designated person" coverage.*

SB 853 (Committee on Labor, Public Employment and Retirement): Public employees' retirement.
(Chapter 239, Statutes of 2025)
SB 853 makes technical and administrative updates to California's public retirement laws governing the Public Employees' Retirement System (PERS) and CERL, which includes OCERS. The bill aligns provisions with the Public Employees' Pension Reform Act of 2013 (PEPRA) by clarifying how final compensation is determined for members with service in multiple systems, specifying how absences are treated for calculating pensionable earnings, and limiting certain post-2013 benefit enhancements. It also strengthens employer reporting requirements for retired annuitants by authorizing monthly penalties for agencies that fail to report reemployed retirees or pay data in a timely manner.

OCTA Position – Monitor

Impact on OCTA: *OCTA participates in OCERS and is therefore subject to CERL. SB 853 does not change benefit formulas or contribution rates but reinforces employer reporting responsibilities and clarifies how final compensation is determined for employees covered under PEPRA.*

V. Environment, Resiliency, and Adaptation

AB 571 (Quirk-Silva, D-La Palma): California Environmental Quality Act: exemption: Gypsum Canyon Veterans Cemetery
(Chapter 158, Statutes of 2025)
AB 571 provides an exemption under the California Environmental Quality Act (CEQA) for any activity or approval necessary to complete the Gypsum Canyon Veterans Cemetery in Orange County, provided specified conditions are met, including the project location that had been analyzed as part of a 2005 environmental document. This authority remains in effect until January 1, 2030.

Urgency Bill – Effective immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 697 (Wilson, D-Suisun City): Protected species: authorized take: State Route 37 project.
(Chapter 438, Statutes of 2025)
AB 697 provides limited authorization for the California Department of Fish and Wildlife (CDFW) to permit the incidental take of certain fully protected species connected to improvements along State Route 37 between Sonoma County and Solano County. The project corridor crosses environmentally sensitive marshland home to several fully protected species, including the salt-marsh harvest mouse, California Ridgway's rail, California black rail, and white-tailed kite. CDFW may issue an incidental take permit for these species only if the project meets all California Endangered Species Act (CESA) requirements, avoids take to the maximum extent possible, and includes a comprehensive monitoring and adaptive management plan that satisfies state conservation standards. The authorization also applies to incidental take that may occur during implementation of approved mitigation or conservation activities.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. Although specific to State Route 37, AB 697 signals how future transportation and flood resilience projects in ecologically sensitive areas may balance construction needs with species protections, an approach potentially relevant to long-term regional transportation planning and mitigation strategies in Orange County.*

AB 996 (Pellerin, D-San Jose): Public Resources: sea level rise plans.
(Chapter 286, Statutes of 2025)
AB 996 refines implementation of California's sea level rise planning requirements for local governments within the coastal zone or under the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The bill allows the California Coastal Commission (CCC) or BCDC to accept existing sea level rise information or plans previously prepared by local governments to meet all or part of the required content for a sea level rise plan, avoiding duplication of effort. It also encourages local governments to engage in voluntary early consultation with the CCC by January 1, 2029, to ensure local coastal programs or amendments are complete and ready for review before the 2034 compliance deadline.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1207 (Irwin, D-Thousand Oaks): Climate change: market-based compliance mechanism: extension.
(Chapter 117, Statutes of 2025)
AB 1207 extends California's cap-and-trade system, formally rebranded as the cap-and-invest program, through 2045. The bill creates the California Climate Mitigation Fund,

which will receive proceeds from the sale of additional allowances offered at the program's "price ceiling." These funds will be used for household rebates and investments aimed at reducing energy costs. It also strengthens California Air Resources Board's (CARB) oversight by requiring regular legislative reporting, scoping plan updates, and progress assessments on emissions targets.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Extending cap-and-invest through 2045 seeks to provide stability to funding generated from the system, such as for the Transit and Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operations Program (LCTOP), which directly benefit transit agencies.*

AB 1319 (Schultz, D-Burbank): Protected species: California Endangered Species Act.
(Chapter 638, Statutes of 2025)
AB 1319 strengthens state protections for endangered species and wildlife. It makes it unlawful in California to import, export, transport, sell, or purchase any fish, wildlife, or plant taken or sold in violation of federal or other state laws, with penalties of up to $50,000 and forfeiture of seized materials. The bill also directs the CDFW to automatically add species to a list of "provisional candidate species" if the federal government decreases protections under CESA, ensuring California maintains comparable safeguards. These provisions remain in effect until January 1, 2032.

OCTA Position – Monitor

Impact on OCTA: *AB 1319 could affect OCTA projects that intersect with habitat areas or species protected under state or federal law. By requiring automatic state-level protections when federal standards are reduced, AB 1319 may influence permitting timelines, mitigation planning, and biological assessments for future transportation and infrastructure projects. OCTA should continue to coordinate closely with the Department of Fish and Wildlife to ensure compliance with evolving species protection requirements.*

SB 71 (Wiener, D-San Francisco): California Environmental Quality Act: exemptions: transit projects.
(Chapter 742, Statutes of 2025)
SB 71 extends and refines existing CEQA exemptions for certain public transit, active transportation, and passenger rail projects. Current law provides these exemptions until January 1, 2030; SB 71 would extend them until January 1, 2040, with a sunset date of January 1, 2032, for projects serving low-emission rather than fully zero-emission vehicles. The bill broadens eligibility to include maintenance activities for passenger rail service improvements and prohibits the use of Tier 4 locomotives in projects located in air basins classified as serious, severe, or extreme nonattainment areas. To qualify for an exemption, projects must be located within existing public rights-of-way, avoid adding

automobile capacity, and comply with requirements related to project cost thresholds, public meetings, labor standards, and housing protections. SB 71 clarifies that project cost thresholds are based on the engineer's estimate at the time of approval, not the total project cost, and authorizes the Office of Land Use and Climate Innovation to adjust these thresholds according to inflation. It also requires that the governing body approve the use of the exemption in a public meeting, ensuring greater transparency, while preserving the option for agencies to pursue the standard CEQA process if desired.

OCTA Position – Support

Impact on OCTA: *SB 71 provides greater clarity and flexibility for projects like the OC Connect active transportation project, which is a four-mile trail linking Downtown Garden Grove, Downtown Santa Ana, the Santa Ana River Trail, and the countywide 66-mile OC Loop bikeway. Under existing law, ambiguity around cost thresholds and inflation adjustments has created uncertainty for agencies seeking to use CEQA exemptions. SB 71 resolves these issues by defining cost thresholds at the time of project approval and indexing them for inflation, helping OCTA and other agencies plan projects with confidence. Additionally, the bill broadens CEQA streamlining authority to include other infrastructure improvements, such as bus shelters and lighting, that enhance safety, accessibility, and transit connectivity.*

SB 695 (Cortese, D-San Jose): Transportation: climate resiliency: projects of statewide and regional significance.
(Chapter 781, Statutes of 2025)
SB 695 requires the California Department of Transportation (Caltrans) in consultation with the California Transportation Commission and the California State Transportation Agency (CalSTA), to identify and prioritize projects of statewide and regional significance that improve the state's resilience to climate-related and natural disasters. Beginning July 1, 2026, and every year thereafter, Caltrans must develop a prioritized list of highway projects that enhance safety, strengthen climate adaptation, and support the economy.

Projects will receive higher priority if they provide multiple benefits, such as improving goods movement, enhancing public safety, increasing climate resilience (e.g., flood or wildfire mitigation), or supporting electrical grid reliability. Caltrans must submit an annual report to the Legislature by January 1, 2027, detailing the prioritized project list.

OCTA Position – Monitor

Impact on OCTA: *This bill may indirectly impact OCTA through Caltrans' statewide project prioritization process, as the annual list could influence future funding opportunities, programming decisions, or statewide investment strategies related to climate-resilient transportation infrastructure.*

SB 840 (Limon, D-Santa Barbara): Greenhouse gases: Greenhouse Gas Reduction Fund: studies.
(Chapter 121, Statutes of 2025)
As part of reauthorizing the state's cap-and-invest program, effective January 1, 2026, SB 840 replaces percentage-based distributions from the Greenhouse Gas Reduction Fund (GGRF) with set annual Budget Act appropriations guided by a tiered priority structure. To implement this shift, SB 840 establishes an annual expenditure plan that will be appropriated in three tiers:

- Tier 1 ($233 million) is funded first and includes one-time appropriations for the following:
  - To replace funding State Responsibility Area fire prevention fee – $90 million
  - For the Green Manufacturing Program – $140 million
  - To establish a Legislative Counsel Climate Bureau – $3 million
- Tier 2 ($2.0 billion) includes:
  - High-Speed Rail – $1 billion to support the Initial Operating Segment and Phase I Blended System identified in the 2012 Business Plan. Funding may be used for property acquisition and construction, environmental review and design, other capital costs such as track, stations, and systems, and repayment of prior project loans.
  - Legislature Discretionary – $1 billion, which for FY 2026-27 includes:
    - Transit passes – $125 million
    - Seed funding for a University of California Climate Research Center – $25 million
    - Rebuilding of Topanga Park – $15 million
    - For an entity chosen by the Legislature to support climate technology innovation and research – $85 million
- Tier 3 ($1.98 billion) includes annual appropriations as follows, if sufficient funding is available. If GGRF revenues are not available, these amounts may be reduced:
  - Affordable Housing and Sustainable Communities – $800 million
  - TIRCP – $400 million
  - AB 617 (Chapter 136, Statutes of 2017) Community Air Protection – $250 million
  - LCTOP – $200 million
  - CAL FIRE – $200 million
  - Safe Drinking Water – $130 million

SB 840 also requires CARB to study carbon offsets by December 31, 2026, update all compliance offset protocols by January 1, 2029, and conduct five-year reviews thereafter to evaluate the effectiveness of carbon offset programs, including environmental integrity, verification standards, and their role in achieving statewide greenhouse gas emission reduction targets.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Starting July 1, 2026, TIRCP ($400 million) and LCTOP ($200 million) shift from percentage-based continuous appropriations to fixed funding targets. In down-revenue years, Tier 3 amounts, including the TIRCP and LCTOP, may be reduced if GGRF revenues generated cannot cover all commitments. While these new funding targets are intended to provide greater funding stability, previous funding cycles have not consistently reached the $400 million and $200 million levels for TIRCP and LCTOP, respectively, adding uncertainty about the state's ability to sustain these targets over time. Funding guidelines for the transit pass program ($125 million) under the Legislature Discretionary line are still unknown. At the proposed funding level, $125 million statewide is expected to have limited impact on substantially increasing transit ridership, and uncertainty remains regarding accountability measures, eligible uses, and how funds will be distributed amongst transit agencies. The California Transit Association (CTA) is expected to assist the Legislature and Administration in shaping the program's structure and distribution framework.*

In recent budgets, the State has also used GGRF dollars to backfill SB 125 (Chapter 54, Statutes of 2023) transit commitments, ensuring funds were available for the TIRCP Cycle 6 and SB 125 formula allocations despite General Fund constraints. These were one-time budget actions to maintain previously approved transit investments. SB 840 does not account for or extend such backfills or repayment. OCTA should continue to advocate for the full funding of SB 125 transit commitments to ensure stability for ongoing and future capital and operating projects.

VI. Funding

AB 417 (Carrillo, D-Palmdale): Local finance: enhanced infrastructure financing districts: community revitalization and investment authorities.
(Chapter 260, Statutes of 2025)
AB 417 updates and simplifies what the local governments, including cities, counties and special districts, must follow when creating or managing Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities, which are two tools local governments use to fund community improvements like infrastructure, parks, affordable housing, and small business recovery. The bill streamlines the process for these districts to update their plans, add new partners, and file required reports by reducing procedural steps and shortening timelines. It broadens eligibility so more communities can qualify, allows other local agencies to join later if they wish, and expands the types of projects that can be supported, including those focused on general economic recovery rather than just coronavirus (COVID-19)-related needs. AB 417 also reduces the number of required public hearings from three to two and ensures that public notices are accessible by requiring translations into other commonly spoken languages.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 761 (Addis, D-San Luis Obispo): Monterey-Salinas Transit District: sales and special taxes.
(Chapter 706, Statutes of 2025)
AB 761 updates the authority by which the Monterey-Salinas Transit District may seek a local sales tax measure. Starting January 1, 2026, it may ask voters to approve a local sales tax, if two-thirds of its board supports putting the measure forward, rather than receiving the concurrence of a majority of its member jurisdictions. The bill also allows the district, with voter approval before January 1, 2035, to raise up to a quarter of a percent local sales tax even if that increase would push the county above the current two percent limit on local measures. This extra quarter of a percent would not count toward the cap. If voters do not approve such a measure by 2035, the additional taxing authority will expire.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1223 (Nguyen, D-Elk Grove): Local Transportation Authority and Improvement Act: Sacramento Transportation Authority.
(Chapter 724, Statutes of 2025)
AB 1223 expands the Sacramento Transportation Authority's (STA) powers under the Local Transportation Authority and Improvement Act. The bill allows STA to use local transportation sales tax revenues for projects that support infill or transit-oriented development, including improvements to water, stormwater, and utility infrastructure in areas identified by local governments and included in regional plans that advance greenhouse gas reduction goals. The bill also permits STA to propose a transportation sales tax that applies to only part of Sacramento County, rather than requiring countywide voter approval. Any such partial-area measure must receive at least a two-thirds vote of STA's governing board and majority approval from voters within the proposed area.

Additionally, AB 1223 authorizes STA to issue bonds to finance high-occupancy toll (HOT) lanes or other toll facilities within Sacramento County. These bonds may be repaid using toll revenues or other available funding sources, such as sales tax or grant funds. Before issuing bonds tied to toll revenues from facilities operated by the Capital Area Regional Tolling Authority (CARTA), STA must enter into an agreement with CARTA and obtain approval of a toll facility expenditure plan.

OCTA Position – Monitor

Impact on OCTA: *While AB 1223 applies specifically to Sacramento County, it introduces several policy concepts that could influence future regional transportation funding models statewide. The bill's authorization for sub-county sales tax measures and coordination between sales tax authorities and tolling entities could serve as a precedent for other* *transportation agencies seeking flexible revenue options. OCTA may monitor these developments to assess potential implications for local sales tax renewal strategies and regional toll revenue coordination in Orange County.*

SB 42 (Umberg, D-Santa Ana): Political Reform Act of 1974: public campaign financing: California Fair Elections Act of 2026
(Chapter 245, Statutes of 2025)
Under current law, the Political Reform Act of 1974 prohibits public officers or candidates from using or accepting public funds for campaigns. SB 42 would remove that prohibition except when the funds are earmarked for education, transportation, or public safety. Specifically, this legislation will allow local and state governments to establish voluntary public financing systems, subject to criteria and spending limits. This will require voter approval, appearing on the ballot on November 3, 2026.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. If approved by voters, local agencies could be asked to consider participation or funding mechanisms for public campaign financing programs established under this authority. Given the exemption pertaining to funds earmarked for transportation, it is expected to have limited impact on OCTA.*

SB 63 (Wiener, D-San Francisco): San Francisco Bay area: local revenue measure: public transit funding.
(Chapter 740, Statutes of 2025)
SB 63 creates a new public transit revenue measure district across Alameda, Contra Costa, Santa Clara, San Francisco, and San Mateo counties, governed by the Metropolitan Transportation Commission Board of Directors. It authorizes a single regional sales tax measure for the November 3, 2026, ballot: one-half percent in Alameda, Contra Costa, Santa Clara, and San Mateo, and one percent in San Francisco, for 14 years.

Revenues would be dedicated largely to transit operations at Bay Area Rapid Transit (BART), San Francisco Municipal Transportation Agency (Muni), Alameda-Contra Costa Transit District (AC Transit), Caltrain, ferry services, and small bus operators, with set shares for fare programs, accessibility, and wayfinding/priority projects. The measure also directs funds to county transportation entities for transit and roadway repaving on transit corridors. The measure also allocates a portion of funds directly to county transportation agencies, the Alameda County Transportation Commission, Contra Costa Transportation Authority, San Mateo County Transit District, and VTA, to finance public transit improvements and roadway repaving projects on corridors served by fixed-route transit.

The bill requires a two-phase “financial efficiency review” of BART, Muni, AC Transit, and Caltrain; the first phase identifies cost-saving measures already implemented since 2020 and early strategies to improve service and customer experience using existing resources. The second phase expands the analysis to propose long-term cost-reduction strategies and a regional development and financing plan for agency-owned property.

The second phase and agency implementation plans proceed only if voters approve the tax. It establishes maintenance-of-effort rules, an oversight committee, and a limited adjudication process that can temporarily withhold a portion of funds if an operator fails to meet adopted standards.

OCTA Position – Monitor

Impact on OCTA: *This bill is notable as a regional model for transit operating support tied to efficiency reviews, uniform ballot timing, preset revenue splits, and accountability tools. Outcomes from the Bay Area's 2026 measure, including fare integration efforts, operator implementation plans, and the use of adjudication to enforce standards, should be monitored. Monitoring will help OCTA assess potential precedents that might influence state policy discussions or revenue frameworks.*

SB 333 (Laird, D-San Luis Obispo): Transactions and use taxes: San Luis Obispo Council of Governments.
(Chapter 750, Statutes of 2025)
SB 333 authorizes the San Luis Obispo Council of Governments (SLOCOG) to levy a transactions and use tax, commonly known as a local sales tax, of up to one percent for general or specific transportation purposes, if approved by voters between January 1, 2026, and January 1, 2032. The bill allows SLOCOG to exceed the existing two percent cap on combined local sales tax rates established under state law.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

VII. Planning

AB 1007 (Rubio, D-West Covina): Land use: development project review.
(Chapter 502, Statutes of 2025.)
Under existing law, the Permit Streamlining Act establishes time limits for state and local agencies to act on development projects. Typically, a lead agency must approve or disapprove a project within 180 days after certifying an environmental impact report or 60 days if the project is exempt from CEQA. Existing law also provides a shorter timeframe for certain housing development projects, requiring a responsible agency to approve or disapprove the project within 90 days after the lead agency's approval or receipt of a complete application, whichever is later. AB 1007 builds on this exception by further shortening the timeframe from 90 days to 45 days. However, the State Water Resources Control Board, regional water quality control boards, and the CCC remain subject to the 90-day timeline due to their specialized permitting authority.

OCTA Position – Monitor

Impact on OCTA: *AB 1007 primarily affects local land use review timelines but may indirectly influence OCTA's coordination with cities on transit-supportive housing and* *mixed-use developments that progress more quickly under the expedited approval process.*

AB 1275 (Elhawary, D-Los Angeles): Regional housing needs: regional transportation plan.
(Chapter 593, Statutes of 2025.)
AB 1275 modifies the process and timing for determining each region’s existing and projected housing needs. Existing law requires the Department of Housing and Community Development (HCD), in consultation with councils of governments (COG), to determine regional housing needs at least two years before a scheduled housing element revision. This bill extends that timeline to three years to provide COGs and local jurisdictions with more time for data collection, modeling, and coordination with regional transportation and land use planning. For the upcoming housing element cycle, HCD must begin consultation at least 38 months prior to the scheduled revision, except for specified smaller COGs. For upcoming cycles, regions with revisions due in 2027 keep the two-year rule, while those due in 2028 or early 2029 follow a 32-month lead time. The intent is to better ensure consistency between housing projections with the Sustainable Communities Strategy (SCS) within the Regional Transportation Plan (RTP).

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 1275 primarily affects regional housing planning timelines but may indirectly support improved coordination between housing, transportation, and sustainability planning through the Southern California Association of Governments’ long-range regional efforts.

SB 78 (Seyarto, R-Murrieta): Automated traffic enforcement system programs.
(Chapter 782, Chapters of 2025)
SB 78 requires Caltrans to prepare a report to the Legislature that evaluates current efforts and potential opportunities to streamline the processes and procedures for the delivery of safety enhancement projects on the state highways system. Specifically, this report must include a review of factors that affect the timing of safety enhancement projects, evaluations of project delivery methods, recommendations for enhancing interagency coordination and procurement strategies to streamline delivery of projects, and a summary of existing and planned Caltrans initiatives to streamline safety projects delivery. The report must be submitted on or before January 1, 2027.

OCTA Position – Monitor

Impact on OCTA: *OCTA should collaborate with Caltrans to inform recommendations to be included in the report, which could create opportunities for project streamlining.*

SB 79 (Wiener, D-San Francisco): Housing development: transit-oriented development.
(Chapter 512, Statutes of 2025)
Creates statewide by-right standards for multifamily housing within one-half mile of designated transit stops, setting minimum unit counts, density, height, and residential floor-area ratio by distance and transit tier. Requires on-site affordability, demolition and anti-displacement protections, and specified labor standards. Qualifying projects are eligible for ministerial streamlining and are deemed consistent under the Housing Accountability Act. Authorizes transit agencies to adopt Transit-Oriented Development (TOD) zoning standards for agency-owned parcels near their stations. Directs HCD and Metropolitan Planning Organizations (MPO) to implement mapping and compliance procedures. Most provisions apply July 1, 2026, with enhanced Housing Accountability Act penalties beginning January 1, 2027. Jurisdictions may adopt compliant local TOD alternative plans.

OCTA Position – Monitor

Impact on OCTA: *The bill may lead to denser development around OCTA stations and stops. Additionally, cities and counties may update zoning and development standards in response to HCD and MPO guidance, potentially altering land use and design conditions around OCTA facilities and/or creating added scrutiny on transit and rail service levels and station placement. OCTA may be consulted during local planning processes or in developing local TOD alternative plans. Monitoring implementation will be essential to ensure consistency between transit planning, access management, and development activity near OCTA's assets.*

SB 358 (Becker, D-Menlo Park): Mitigation Fee Act: mitigating vehicular traffic impacts.
(Chapter 515, Statutes of 2025.)
SB 358 updates the Mitigation Fee Act, which governs how local agencies impose fees on development projects to mitigate vehicular traffic impacts. Under prior law, housing developments could qualify for reduced traffic impact fees if they provided either the minimum parking required by local ordinance or limited on-site parking and were located within one-half mile of convenience retail or located within a transit priority area. SB 358 revises these criteria by removing convenience retail uses and instead requires the development to be located within one-half mile from three or more of the following: grocery store, public park, community center, pharmacy, medical clinic or hospital, public library, K–12 school, licensed childcare facility, or restaurant. It also updates parking limits of one space for units with up to two bedrooms and two spaces for units with three or more bedrooms. The bill also eliminates the option for agencies to impose proportionally reduced fees if only some criteria are met. Additionally, any agency findings disputing reduced trip generation must now be supported by substantial evidence in the project record before or during project approval.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 415 (Reyes, D-San Bernardino): Planning and zoning: logistics use developments: truck routes.
(Chapter 316, Statutes of 2025)
SB 415 is clean-up legislation related to AB 98 (Chapter 723, Statutes of 2024), which established statewide standards for warehouse and logistics developments to address traffic, air quality, and community health impacts from heavy-duty truck activity. SB 415 resolves ambiguities in AB 98 by refining key definitions, standardizing compliance timelines, and establishing clear enforcement procedures. Jurisdictions must establish designated truck routes by 2028, or by 2026 in areas with high warehouse concentrations, to reduce truck traffic in residential neighborhoods. Jurisdictions without existing or approved logistics uses by January 1, 2025, are exempt until they approve their first project, at which time routing rules must be adopted within two years.

The bill also requires local authorities (cities and counties) to post signage for truck routes, parking, and idling, and to make routing maps publicly available in geographic information systems format. Logistics operators must communicate their approved routing plans both internally and externally, though enforcement measures are no longer required as part of the plan. By January 1, 2027, the California Highway Patrol (CHP) must provide commercial vehicle enforcement training to local law enforcement, and jurisdictions adopting routing ordinances must designate at least one trained officer. Jurisdictions that fail to comply may be subject to court action by the Attorney General, with fines of up to $50,000 every six months.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The bill primarily affects local land use and goods movement planning but may intersect with OCTA's regional goods movement and air quality coordination efforts and provide insight on increased traffic levels on arterials and other infrastructure on designated truck routes.*

SB 486 (Cabaldon, D-Napa): Regional housing: public postsecondary education: changes in enrollment levels: California Environmental Quality Act.
(Chapter 517, Statutes of 2025)
SB 486 requires regional and local housing planning efforts to account for changes in enrollment at California's public universities. The bill directs metropolitan planning organizations to consider enrollment growth at University of California (UC) and California State University (CSU) campuses when identifying areas sufficient to house the region's population in their SCS. It also requires the Department of Finance, when developing population and household projections for housing needs assessments, to incorporate UC and CSU enrollment forecasts. The CSU must, and the UC is requested to, provide enrollment projections and travel data to regional councils of governments to support the development of housing allocation methodologies.

SB 486 further amends CEQA streamline certain campus development projects by exempting the UC and CSU from conducting a “no project” alternative analysis in environmental impact reports if specific conditions are met, namely, that the project supports state enrollment goals and aligns with local transportation and land use planning.

OCTA Position – Monitor

Impact on OCTA: *Increased university enrollment projections may influence long-range transportation demand and land use planning in future SCS and RTP updates. While SB 486 primarily affects regional planning processes, its integration of higher education data could indirectly inform OCTA’s long-term planning and transit service coordination near academic institutions.*

SB 586 (Jones, R-Escondido): Off-highway electric motorcycles.
(Chapter 588, Statutes of 2025)
SB 586 updates the Vehicle Code to recognize and regulate off-highway electric motorcycles. The bill defines these vehicles as off-highway motorcycles designed primarily for off-road use, powered exclusively by an electric motor that does not require a motor number, equipped with handlebars for steering control, a straddle seat provided by the manufacturer, and two wheels, but without pedals. By classifying off-highway electric motorcycles as off-highway motor vehicles, the bill subjects them to the same rules, identification requirements, and safety standards that apply to other off-highway vehicles, including registration through the Department of Motor Vehicles and compliance with existing operational laws.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 671 (Cervantes, D-Riverside): Pedestrian crossing signals.
(Chapter 326, Statues of 2025)
SB 671 requires newly installed or replaced traffic-actuated signals detect bicycles and motorcycles and include leading pedestrian intervals (LPIs) and accessible pedestrian signals (APS) where those local agencies are operating state-owned signals. SB 671 additionally requires APS pushbuttons or touch-free APS at new pedestrian crossings on state highway projects and mandates that existing state-owned signals be cataloged in the Caltrans management system for future reviews. LPIs must be implemented during scheduled operational reviews, and local agencies must report their implementation of LPIs at state-owned intersections they manage.

OCTA Position – Monitor

Impact on OCTA: *OCTA should coordinate with Caltrans in order to meet compliance of installing these devices where necessary.*

SB 720 (Ashby, D-Sacramento): Automated traffic enforcement system programs. (Chapter 782, Statues of 2025)
SB 720 creates an optional new framework, known as the Safer Streets Program, that any city or county may adopt to use automated systems for enforcing traffic signal violations through a civil rather than criminal process. Under this program, violations are considered civil offenses that do not add points to a driver's record. Fines begin at $100 and can increase for repeat offenses. Appeals are handled administratively with a $25 filing fee, and cities are allowed to have local agency staff, not necessarily law enforcement, review violations. All funds collected must be directed to local street safety improvements instead of general revenue. The program also includes strict requirements for equity, privacy, and transparency, such as publishing a community impact report, providing public notice, and prohibiting the use of facial recognition technology.

OCTA Position – Monitor

Impact on OCTA: *OCTA should monitor implementation of such programs and potential impact it could have on funding for local streets and roads.*

VIII. Public Meetings

SB 470 (Laird, D-Santa Cruz): Bagley-Keene Open Meeting Act: teleconferencing. (Chapter 222, Statues of 2025)
Under the Bagley-Keene Open Meeting Act, meetings of a state body can be held through a teleconference setting if certain requirements are met. Requirements include that the state body post agendas at all teleconference locations, teleconference locations to be identified in the agenda of the meeting or proceeding, and that each teleconference location be accessible to the public. The agenda must provide an opportunity for members of the public to address the state body directly at each teleconference location, and that at least one member of the state body be physically present at the location specified in the notice of the meeting. SB 470 will extend the authorization to teleconference alongside the previously mentioned provisions from January 1, 2026 until January 1, 2030.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 707 (Durazo, D-Los Angeles): Open meetings: meeting and teleconference requirements.
(Chapter 327, Statutes of 2025)
SB 707 updates the Ralph M. Brown Act by introducing new teleconferencing requirements, enhanced accessibility for members of the public, and expanded opportunities for members of legislative bodies to participate remotely under specific conditions. A key component of the bill allows members of a legislative body with a disability to participate remotely as a reasonable accommodation, without the traditional requirements to post an agenda or allow the public to access their remote location. This

codifies recent Attorney General guidance and recognizes that physical attendance can create barriers for some public officials. Importantly, SB 707 does not eliminate the traditional teleconferencing method that has long existed under the Brown Act. Agencies may still use this standard approach, which requires posting the meeting agenda at each teleconference location, allowing public access at each site, and enabling members of the public to comment in person at those locations.

The bill also recasts and extends the "alternative teleconferencing" framework that was first introduced during the COVID-19 pandemic, allowing remote participation under "just cause" and emergency circumstances. The definition of "just cause" now encompasses a contagious illness, medical or mental health needs, official travel for a state or local agency, family medical issues, military service, or caring for an immunocompromised family member. Members using this option must participate via audio and video, disclose who is present in their remote location, and notify the legislative body as early as possible. SB 707 limits how many times per year a member can use these provisions.

New rules are also created for "eligible subsidiary bodies," defined as purely advisory groups that cannot take final legislative or financial action. These bodies may hold remote meetings if doing so promotes access and diversity, but the parent agency must first adopt findings supporting that determination and renew them every six months. Likewise, "eligible multijurisdictional bodies," such as cross-county agencies or joint powers authorities, may use teleconferencing when members are located more than 20 miles from the meeting site, provided a quorum participates from a physical public location.

Beyond teleconferencing, SB 707 establishes extensive new public participation and accessibility requirements for "eligible legislative bodies," which include OCTA. These agencies must offer remote public comment via two-way phone or video platforms, provide closed captioning where available, and adopt formal procedures for restoring service after an outage. They must also translate meeting agendas into all languages spoken by at least 20 percent of the jurisdiction's population with limited English proficiency, and they must provide reasonable assistance to members of the public who wish to offer or receive translation. In addition, agencies must create an accessible public meetings webpage containing agendas, calendars, and instructions for participating in meetings. The legislation also makes several smaller changes, such as prohibiting legislative bodies from adjusting their compensation at special meetings, requiring local agencies to distribute the Brown Act to all members, and clarifying that rules on disruptive behavior extend to remote participants.

OCTA Position – Monitor

Impact on OCTA: *SB 707 will have a direct effect on OCTA, as its Board qualifies as an eligible legislative body. Starting on July 1, 2026, OCTA must offer the public remote access to all Board and committee meetings via phone or audiovisual platforms and adopt formal procedures for restoring service in case of outages. OCTA will also need to translate meeting agendas into qualifying languages within its jurisdiction and provide reasonable assistance for interpretation during meetings.*

For Board and committee members, the law maintains access to the traditional teleconferencing method but introduces new, more flexible options for remote attendance under defined "just cause" and emergency circumstances. OCTA will need to update its Board policies, technology systems, and public outreach procedures to ensure compliance.

IX. Public Works and Procurement

AB 289 (Haney, D-San Francisco): State highway work zone speed safety program. (Chapter 684, Statutes of 2025)
Authorizes Caltrans, through January 1, 2032, to operate up to 35 automated speed safety systems in state highway construction and maintenance zones. Violations are civil only, with tiered fines, mandatory public notice and a 60-day warning period at launch, strict privacy rules, and an administrative review and appeal process ($25 court filing fee). Citation revenue is continuously appropriated to Caltrans for program administration; remaining funds support CHP's Construction and Maintenance Zone Enhanced Enforcement. Caltrans must publish guidelines and report annually on safety outcomes and program metrics.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. Operational impacts to OCTA are limited to project-level coordination and communication.*

AB 390 (Wilson, D-Suisun City): Vehicles: highway safety.
(Chapter 58, Statutes of 2025)
AB 390 expands California's "Move Over or Slow Down" law. Current law requires drivers to change lanes or slow down when approaching a stationary Caltrans vehicle with flashing lights. This bill extends that requirement to all highway maintenance vehicles and to any stationary vehicle displaying flashing lights when stopped adjacent to the highway. The rule does not apply if the vehicle is protected by a barrier. A violation would be an infraction punishable by a fine of up to $50.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. This may have indirect benefits for OCTA's freeway service patrol program, bus operations, and contracted maintenance staff working along county roadways.*

AB 978 (Hoover, R-Folsom): Department of Transportation and local agencies: streets and highways: recycled materials.
(Chapter 443, Statutes of 2025)

AB 978 makes permanent the requirement that local agencies responsible for streets and highways allow the use of recycled materials, such as reclaimed asphalt pavement, recycled aggregate, fly ash, and returned plastic concrete, at levels no lower than those permitted by Caltrans in its standard specifications. Previously, this requirement was set to expire in 2027; the bill removes the sunset date, making it ongoing. Additionally, the bill allows contractors bidding on local public works projects to request written justification if a local agency determines that using recycled materials at Caltrans' levels is not feasible.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1014 (Rogers, D-Ukiah): Traffic safety: speed limits.
(Chapter 287, Statues of 2025)
Existing law establishes various default speed limits for vehicles on highways and authorizes a local authority to lower the speed limit by five miles per hour (mph) from the nearest five mph increments of the 85th percentile speed so long as it meets certain circumstances such as a portion of a highway being designated as a safety corridor or a portion of a highway is adjacent to any land or facility that generates high concentrations of bicyclists/pedestrians. AB 1014 provides Caltrans the same authority, on a highway that is not a freeway, to respond to safety concerns.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 272 (Becker, D-Menlo Park): San Mateo County Transit District: job order contracting: pilot program.
(Chapter 310, Statutes of 2025)
SB 272 authorizes the San Mateo County Transit District to conduct a job order contracting pilot program to streamline procurement for repair, remodeling, and repetitive construction work. The program caps each individual job order at $1 million and total awards under a single contract at $5 million for the initial 12-month term, with the option for two annual extensions up to a combined $10 million. Contracts must be competitively bid, comply with applicable collective bargaining and project labor agreements, and pay prevailing wages. The district must prepare independent cost estimates before issuing job orders to ensure cost control and submit a report to the Legislature by January 1, 2030, evaluating the pilot's effectiveness. The authorization for the pilot program sunsets on January 1, 2032.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 364 (Strickland, R-Huntington Beach): Outdoor advertising displays: permits: new alignments.
(Chapter 313, Statutes of 2025)
SB 364 modifies the Outdoor Advertising Act to prevent delays in the permitting process for new outdoor advertising displays along newly realigned interstate or primary highways. The bill prohibits Caltrans from denying or delaying acceptance of a permit application solely because a highway project has not been formally accepted as complete, provided that the section of highway is already open to the public for vehicular travel within 1,000 feet of the proposed display location. This change allows permit processing to move forward once a new highway alignment is operational for public use, even if administrative acceptance by Caltrans is still pending.

OCTA Position – Support

Impact on OCTA: *Some cities in Orange County have encountered delays under current practice when seeking to place signage along newly opened highway segments, even when those segments were already serving the public. SB 364 helps address these concerns by allowing permit applications for displays and signage to move forward as soon as the roadway is open for public use. The bill improves coordination and efficiency between local jurisdictions and Caltrans, supporting the timely placement of signage along new or realigned highway corridors.*

SB 809 (Durazo, D-Los Angeles): Employees and independent contractors: construction trucking.
(Chapter 659, Statutes of 2025)
SB 809 establishes the Construction Trucking Employer Amnesty Program, allowing eligible construction contractors to reclassify misclassified construction drivers as employees. The bill clarifies that vehicle ownership alone does not determine independent contractor status and affirms that employees who use their own vehicles for work must be reimbursed for related expenses, including upkeep and depreciation.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. SB 809 primarily affects construction trucking firms that contract with public agencies.*

X. Rail

AB 377 (Tangipa, R-Fresno): High-Speed Rail Authority: business plan: Merced to Bakersfield segment.
(Chapter 81, Statutes of 2025)
AB 377 requires the California High-Speed Rail Authority (CHSRA), as part of its 2026 Business Plan, to include a detailed funding plan for the Merced to Bakersfield segment. The plan must provide an updated estimate of the segment's funding gap, a strategy for addressing that gap, and an assessment of potential delays and mitigation options should

any funding fail to materialize. The CHSRA must also evaluate options for initiating early service on the Merced to Bakersfield segment, including cost and schedule estimates, and assess the likelihood of each proposed funding source.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 30 (Cortese, D-San Jose): Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions.
(Chapter 735, Statutes of 2025)
SB 30 prohibits public transit agencies and other public entities that own diesel-powered locomotives or other rail equipment from selling, donating, or transferring that equipment for continued use once it has been decommissioned and replaced with lower-emission alternatives. The intent is to prevent decommissioned diesel-powered rail equipment from being used elsewhere, where it could contribute to air pollution.

The bill provides exemptions for equipment that meets federal emissions standards (Tier 2, Tier 3, or Tier 4) or produces equivalent emission levels. It also allows transfers if the diesel engine is removed prior to the sale or donation. Any transfer meeting these exemptions must be approved by the public entity at a public hearing.

OCTA Position – Monitor

Impact on OCTA: *OCTA is a member agency of Metrolink and the managing agency of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency, both of which could be affected by SB 30's restrictions. The bill may influence how decommissioned diesel locomotives or other on-track equipment are handled when replaced with cleaner technologies such as hybrid or zero-emission alternatives. While SB 30 aligns with ongoing state and regional goals to reduce rail emissions, it may require coordination among Metrolink member agencies and LOSSAN partners to ensure compliance with decommissioning and resale restrictions when transitioning to lower-emission fleets.*

SB 544 (Laird, D-Monterey): Railroad crossings: permit applications: review.
(Chapter 224, Statutes of 2025)
SB 544 revises California's process for reviewing and approving railroad crossing projects under the California Public Utilities Commission (CPUC). It creates an "exempt railroad crossing application" option that allows projects with clear public benefits and no opposition to move through an expedited review, reducing delays for routine or low-risk improvements such as signal upgrades or warning device replacements. The bill also standardizes what must be included in applications, providing clearer expectations and reducing the likelihood of revisions. SB 544 requires that approvals for exempt projects be publicly noticed and open for comment, enhancing transparency and coordination with cities, rail operators, and the community.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The new “exempt railroad crossing application” process could help shorten CPUC review times for future grade separation or safety improvement projects. The bill’s standardized application requirements will also make it easier for OCTA and its partner agencies to prepare consistent, complete submissions for crossing modifications connected to local rail or streetcar infrastructure.*

XI. Safety and Security

AB 370 (Carrillo, D-Palmdale): California Public Records Act: cyberattacks. (Chapter 34, Statutes of 2025)
Existing law requires public agencies to respond to Public Records Act requests within ten days, with an allowance for an additional 14-day extension in cases of “unusual circumstances.” AB 370 expands what qualifies as unusual circumstances to include cyberattacks or other emergencies that directly impair an agency’s access to its electronic records or systems. When such conditions occur, an agency may invoke the 14-day extension by providing written notice to the requester explaining the reason for the delay and the expected date for its determination.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Provides limited schedule flexibility for CPRA responses when a cyber incident or qualifying emergency directly affects OCTA’s ability to access electronic records.*

AB 382 (Berman, D-Palo Alto): Pedestrian safety: school zones: speed limits. (Chapter 555, Statues of 2025)
Under current law, a prima facie speed limit of 25 mph is enforced when in proximity to school buildings and/or grounds. AB 382 reduces the prima facie speed limit to 20 mph in a school zone, which is defined as an area of a highway within 500 feet of school grounds in any direction, beginning January 1, 2031. This will apply under any of the following conditions: when a school speed limit sign has flashing beacons, states children are present or is limited to specified hours. AB 382 also maintains local authorities’ ability to set speed limits as low as 15 mph in residential districts near schools and 25 mph when approaching school zones from 500 to 1,000 feet away, without prior restrictions.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. OCTA bus drivers adhere to all posted speed limits regardless of location.*

AB 394 (Wilson, D-Suisun City): Public transportation providers.
(Chapter 147, Statutes of 2025)
AB 394 expands who is protected when assaults happen in and around public transit. Statute already includes provisions for battery against bus and rail operators and their passengers. This bill extends those protections to any employee or contractor of a public transportation provider (as well as the provider itself), so assaults on mechanics, cleaners, fare inspectors, station agents, contracted security, etc., can carry the same enhanced penalties, with offenses punishable by up to one year in county jail and a fine of up to $10,000. The bill also tightens the workplace-violence restraining order statute so transit agencies (including joint powers authorities) statewide and collective bargaining representatives can more clearly seek temporary restraining orders and longer injunctions on behalf of workers when there's harassment, threats, stalking, or battery tied to the workplace.

OCTA Position – Support

Impact on OCTA: *AB 394 gives OCTA stronger tools to protect its workforce and riders. First, more OCTA personnel and contractors are explicitly covered by the higher criminal penalties for battery on transit, which should improve deterrence and help law enforcement and prosecutors charge these cases appropriately. Second, it clarifies OCTA's standing, as an employer and as a transit operator, to seek workplace violence restraining orders when a repeat offender targets our system or staff, allowing OCTA and labor representatives to act faster and with clearer legal footing.*

AB 438 (Hadwick, R-Jackson): Authorized emergency vehicles.
(Chapter 152, Statutes of 2025)
AB 438 expands the authority of the CHP Commissioner to issue authorized emergency vehicle permits. Under prior law, permits could only be issued for certain vehicles used for emergency response, such as those owned by fire departments, public utilities, or police agencies. This bill adds vehicles owned by county, city, or city-and-county offices of emergency services to the list of eligible vehicles, allowing them to operate as authorized emergency vehicles when used by public employees responding to disasters.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 440 (Ramos, D-San Bernardino): State bridges and overpasses: suicide prevention.
(Chapter 262, Statutes of 2025)
AB 440 requires Caltrans, by July 1, 2028, to identify best practices for suicide deterrent measures on state bridges and overpasses, considering input from local jurisdictions and to consult with the California Department of Public Health, behavioral health experts, and other stakeholders.

OCTA Position – Monitor

Impact on OCTA: *OCTA may be asked to provide input as part of Caltrans' consultation process and could incorporate identified best practices into future infrastructure projects where appropriate.*

SB 446 (Hurtado, D-Bakersfield): Data breaches: customer notification.
(Chapter 319, Statues of 2025)
Under current law, individuals and/or businesses that conduct business in California, of which owns or licenses computerized data that includes personal data, are to disclose breach of security systems following discovery or notification of the breach of the data to a resident of California whose unencrypted personal information was compromised without unreasonable delay. SB 446 requires such data breach disclosures to be made within 30 calendar days of a breach discovery or notification. However, SB 446 further authorizes individuals and/or businesses to delay disclosure to accommodate the needs of law enforcement if necessary.

OCTA Position – Monitor

Impact on OCTA: *OCTA should ensure in case of a data breach appropriate notice be provided within 30 days of discovery to all OCTA customers, as applicable.*

XII. State Budget

AB 104 (Gabriel, D-Encino): Budget Act of 2025.
(Chapter 77, Statutes of 2025)
AB 104 serves as a follow-up to the fiscal year 2025–26 budget bill, amending various provisions to appropriate additional funds and make technical adjustments.

A particularly notable provision of AB 104 authorizes up to $1.75 billion in state general fund loans to local entities, split as follows:

- Up to $1 billion for eligible local entities within Los Angeles County, including the County of Los Angeles, Los Angeles County Office of Education, cities, special districts, school districts, and community college districts, to support public recovery and rebuilding efforts related to the January 2025 wildfires.
- Up to $750 million for transit operators outside Los Angeles County, specifically including the BART, Muni, Peninsula Corridor Joint Powers Board, and AC Transit. These loans are intended to sustain transit operations during the state's fiscal realignment period and are contingent upon the enactment of future legislation establishing loan terms and repayment mechanisms.

Under AB 104, these loans must be fully repaid under clearly defined repayment schedules with guaranteed mechanisms to ensure repayment, such as future fare revenue or a regionally approved funding measure. The bill also specifies that the loan authority for Bay Area transit operators becomes operative only if future legislation enacts a long-term regional funding measure to stabilize transit operations and improve financial sustainability.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *AB 104 provides insight into the State's broader strategy to address regional transportation and transit funding shortfalls through temporary state-backed loan programs and potential regional revenue measures. While OCTA is not directly included among the eligible entities, the precedent set by these emergency loans could shape future statewide transit stabilization efforts and funding models. OCTA will monitor subsequent budget trailer legislation for potential inclusion of Southern California transit entities or additional funding provisions that could influence regional transportation coordination, capital project financing, or emergency recovery resources.*

AB 149 (Committee on Budget): Public resources trailer bill.
(Chapter 106, Statutes of 2025)
AB 149 makes a broad set of public resources policy changes. For the 2028 Olympic and Paralympic Games (Games) delivery, AB 149 refines environmental streamlining. Activities tied to bidding, hosting/staging, and funding the Games remain exempt from CEQA. The bill adds a targeted CEQA exemption for temporary facilities that are fully removed and sites restored within six months after the Games. It requires public notice of confirmed competition venue location changes and clarifies that other applicable protections, such as sensitive habitat, still apply. Separately, temporary Games developments along the coast are deemed "temporary events" and exempt from local coastal development permits through December 31, 2028, with an expectation to avoid and minimize coastal resource impacts where feasible.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *The 2028 Games provisions could affect OCTA's special event planning and regional coordination. This is particularly important to monitor as Orange County has two Games venue locations, the Honda Center in the City of Anaheim and Trestles Beach in the City of San Clemente/San Onofre State Beach in San Diego County.*

SB 105 (Wiener, D-San Francisco): Budget Acts of 2021, 2023, 2024, and 2025.
(Chapter 104, Statutes of 2025)
SB 105 serves as the Budget Bill Jr. for the 2025-26 fiscal year, making adjustments and supplemental appropriations to the main Budget Act of 2025. The bill includes key provisions that directly impact transit funding and commitments made in previous budget negotiations.

SB 105 appropriates $368 million from the GGRF to CalSTA for the TIRCP. Of this amount, $180 million is dedicated to Cycle 6 of the competitive TIRCP, and $188 million is allocated to the Formula TIRCP established by SB 125.

SB 105 also extends until January 10, 2026, the timeframe for the State to consider a general fund loan or other financing options to provide short-term financial assistance to local transit agencies in the Bay Area, for possible inclusion in the fiscal year 2026–27 Governor's Budget. The bill clarifies that any such financial assistance must include full repayment of the principal, an applicable interest rate, a defined repayment schedule, and a guaranteed repayment mechanism to ensure fiscal accountability. This provision builds upon direction established in the 2025 Budget Act, which first authorized the state to explore temporary financial support for transit operators facing post-pandemic revenue challenges.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 105 reinforces the state's commitment to ongoing public transit investments through the continued allocation of TIRCP and Formula TIRCP funding, which remain key sources of capital support for major transit agencies across California. These funds will help maintain funding commitments OCTA has made for zero-emission bus infrastructure, rail modernization, and other emission-reduction initiatives. The extension of the Bay Area transit loan framework does not directly apply to OCTA but reflects the state's broader consideration of strategies to stabilize local transit systems. This policy direction may inform future discussions about financial assistance or recovery mechanisms for Southern California transit operators.*

SB 128 (Committee on Budget & Fiscal Review): Transportation.
(Chapter 16, Statutes of 2025)

SB 128 enacts technical and programmatic adjustments across transportation and driver licensing programs while also including key provisions related to planning for the Games. Specifically, for the Games, SB 128 temporarily authorizes Caltrans and local agencies to dedicate exclusive or preferential use of High-Occupancy Vehicle (HOV), HOT, and other lanes to vehicles displaying a distinctive decal or identifier issued by the Games' organizing committee. These decals will designate vehicles operating on the Games Route Network (GRN) to facilitate safe and efficient travel for athletes, officials, and support personnel. Caltrans and the CHP will jointly approve the design and issuance of the decals, which will be valid only during the designated Games period.

The bill appropriates $1,000 from the State Highway Account to Caltrans to fund projects in support of the GRN and authorizes the Department of Finance to increase this amount by up to $20 million upon legislative notification to fund Games-related transportation projects and lane-management activities.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 128 provides the State with enhanced administrative and operational flexibility ahead of the 2028 Games, which are expected to influence traffic operations across Southern California. OCTA will be directly affected by the creation of the GRN, particularly when managed-lane reassignments intersect with Orange County freeways, express lanes, or HOV lanes. OCTA will coordinate with Caltrans, LA28, and regional transportation partners on implementation.*

SB 153 (Committee on Budget & Fiscal Review): Transportation Budget Trailer Bill. (Chapter 109, Statutes of 2025)
SB 153 serves as the transportation budget trailer bill and makes a series of statutory and budget-related changes to transportation and regulatory programs. Among other provisions, this bill:

- Includes a technical clean-up amendment to clarify that the hold harmless provision, which uses pre-COVID-19 revenue numbers for calculation purposes, continues to apply to LCTOP, just as it does to the State Transit Assistance and State of Good Repair programs. Although Caltrans has been implementing the hold harmless provision for LCTOP as intended, this amendment formally codifies that intent and ensures no changes to current funding disbursement practices.
- Grants the Los Angeles County Metropolitan Transportation Authority (LA Metro) and other public operators under contract with LA Metro temporary authority to provide charter bus service for the 2026 Fédération Internationale de Football Association (FIFA) World Cup in Los Angeles County, under conditions ensuring fair competition and adherence to labor agreements.
- Grants similar temporary charter authority to Bay Area transit operators, including VTA and others providing service within the greater San Francisco Bay Area, for the same 2026 FIFA World Cup period.
- Appropriates $132.175 million from the Air Pollution Control Fund for CARB's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, exempting program guidelines from the Administrative Procedure Act to expedite deployment.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 153 ensures administrative clarity and continuity for LCTOP, preserving the hold harmless provision that protects OCTA's LCTOP allocations from year-over-year volatility in statewide revenue collections. The bill results in no changes to OCTA's expected disbursements or reporting obligations. Other provisions, such as the temporary 2026 FIFA World Cup charter authorities, are localized and not directly* *applicable to Orange County, though OCTA should monitor statewide implementation for precedent or administrative changes relevant to regional transit coordination.*

XIII. Tolling

AB 1085 (Stefani, D-San Francisco): License plates: obstruction or alteration. (Chapter 179, Statutes of 2025)
AB 1085 expands current law to explicitly prohibit the production and use of items such as tints, shades, and other materials designed to prevent visual or electronic recognition of license plates. The legislation establishes a fine of $1,000 per item manufactured or sold in violation of the law. Its purpose is to curb the use of license plate-obscuring materials that allow drivers to evade toll collection and other automated enforcement systems, such as those used for express lanes and red-light cameras.

OCTA Position – Support

Impact on OCTA: *AB 1085 directly addresses a persistent challenge affecting toll operations on the 91 Express Lanes and the 405 Express Lanes. Obstructed or unreadable license plates have caused toll revenue losses, estimated at more than $200,000 annually for the 91 Express Lanes alone, and hinder enforcement efforts. By prohibiting the production and sale of license plate–blocking devices, AB 1085 provides OCTA and other toll agencies with a clear legal basis to deter violations and recover lost revenue. It also assists law enforcement in investigations where vehicle identification is essential, such as hit-and-run incidents.*

AB 1114 (Avila Farias, D-Concord): Emergency vehicles: fee and toll exemptions. (Chapter 87, Statutes of 2025)
Under existing law, an emergency vehicle displaying public agency identification, such as fire department, sheriff, or police are exempt from paying tolls so long as they provide documentation to the toll facility that it was responding to an emergency or enter into agreements establishing procedures for exempt travel. AB 1114 extends this exemption to private ambulances when they are responding to or returning from emergency calls if proper procedures are followed as aforementioned. It specified that an ambulance corporation chief executive would be authorized to certify emergency use of such toll facilities.

OCTA Position – Monitor

Impact on OCTA: *OCTA should be aware that private ambulance companies may request to enter into agreements to operate in the 91 or 405 Express Lanes and be exempt from paying the toll.*

XIV. Transit

AB 1250 (Papan, D-San Mateo): Transit operators: paratransit: recertification of eligibility.
(Chapter 725, Statutes of 2025)
AB 1250 requires all public transit operators that provide paratransit services and receive Transportation Development Act funding, by January 1, 2027, to create a streamlined process for recertifying the eligibility of individuals with permanent disabilities. The streamlined process must allow recertification by telephone, mail, teleconference, or online submission and may only request basic verification information, such as contact details, mobility device updates, and any changes in disability status. Recertification for eligible riders will occur every five years.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA and other transit operators to adjust their paratransit eligibility recertification procedures to comply with new state standards. OCTA's OC ACCESS eligibility process may need to be modified to include a streamlined option for riders with permanent disabilities, potentially reducing administrative burdens and improving customer convenience. Implementation will likely require updates to eligibility forms, recordkeeping systems, and staff training prior to the 2027 compliance deadline.*

SB 359 (Niello, R-Rancho Cordova): Use fuel tax law: diesel fuel tax law: exempt bus operation.
(Chapter 217, Statutes of 2025)
Under current law, public transit operators like transit districts, authorities, or cities are exempt from diesel and use-fuel taxes for their bus operations. SB 359 expands that exemption to include counties that own and operate a local transit system.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The intent of this bill was to ensure this exemption could be used by Placer County.*

XV. Transportation Electrification/Energy

AB 1423 (Irwin, D-Thousand Oaks): Transportation electrification: electric vehicle charging stations: payment methods.
(Chapter 192, Statutes of 2025)
Under existing law, electric vehicle charging stations that charge a fee cannot require users to pay a subscription or hold a membership, though they may offer such programs if nonsubscribers can pay via contactless credit/debit card and either a toll-free number or short message system option. Previously, the California Energy Commission could not change these payment requirements until 2028. AB 1423 removes that requirement,

allowing the Commission to modify, add to, or remove accepted payment methods sooner, as needed to reflect new technologies or cost considerations.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 237 (Grayson, D-Walnut Creek): Oil spill prevention: gasoline specifications: suspension: California Environmental Quality Act: exemptions: County of Kern: transportation fuels assessment: coastal resources.
(Chapter 118, Statutes of 2025)
SB 237 makes several changes to oil spill prevention, pipeline safety, and environmental review, and includes provisions affecting California's transportation fuel supply. The bill authorizes the Governor, in consultation with CARB and the California Energy Commission (CEC), to temporarily suspend seasonal gasoline volatility limits when fuel prices spike, allowing higher-volatility gasoline to stabilize supply. It also directs the CEC to evaluate the cost, supply, and feasibility of alternative fuel specifications and explore a potential regional "westwide" fuel standard for western states.

OCTA Position – Monitor

Impact on OCTA: *The transportation fuel provisions in SB 237 could affect statewide fuel supply and pricing, which directly influence OCTA's fuel costs for operations. The CEC's forthcoming assessment of alternative fuel specifications and a potential regional fuel standard could also affect long-term pricing and availability of transportation fuels.*

XVI. Other Legislation

AB 875 (Muratsuchi, D-Torrance): Vehicle removal.
(Chapter 168, Statues of 2025)
AB 875 expands peace officers and/or traffic enforcement employee's authority in cases of removing a vehicle by authorizing officers to tow vehicles with fewer than four wheels if it can exceed over 20 mph with the assistance of an electric motor and is operated by an unlicensed driver. AB 875 also allows officers to remove a vehicle if it is a Class 3 electric bicycle that is ridden by someone under the age of 16. AB 875 also permits local governments to charge fees covering administrative and storage costs related to removing these vehicles. Vehicles must be returned to their owners after at least 48 hours if certain conditions, including payment of costs, are met. Further conditions include that, if a peace officer removes a vehicle, the agency can require proof that the violator completed an electric bicycle safety course before releasing it.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 875 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 1340 (Wicks, D-Oakland): Transportation network company drivers: labor relations.
(Chapter 335, Statutes of 2025)
AB 1340 establishes the Transportation Network Company Drivers Labor Relations Act, creating a new framework that allows application-based drivers for companies such as Uber and Lyft to organize and bargain collectively over pay, benefits, safety, and working conditions. The law gives drivers the right to select a representative to negotiate directly with companies through a formal, state-supervised process. PERB oversees this system, handling elections, bargaining procedures, unfair labor practices, and approval of industrywide “sectoral agreements” that set minimum standards across the transport network companies (TNC) industry. The law preserves drivers’ status as independent contractors under Proposition 22 (2020) and prohibits any agreement from reducing the minimum pay or benefits already guaranteed by that measure.

OCTA Position – Monitor

Impact on OCTA: *OCTA may wish to monitor the implementation of this law and any early agreements for potential effects on first- and last-mile programs, Mobility-as-a-Service pilots, and partnerships.*

AB 1141 (Lee, D-Milpitas): Contra Costa Transit District: Board of Directors: election: compensation.
(Chapter 66, Statues of 2025)
AB 1141 reforms the election and compensation composition of the Contra Costa Transit District’s Board of Directors. The current Board of Directors is comprised of seven directors, one from each ward, and two elected at large. AB 1141 eliminates the two existing directors elected at large. Additionally, the Board of Directors’ compensation will be adjusted based upon the percentage increase in the California Consumer Price Index from the previous calendar year and will become effective until the new fiscal year following adoption of adjustment. The change will go into effect after the next regular election.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 371 (Cabaldon, D-Napa): Transportation network companies: insurance coverage.
(Chapter 314, Statutes of 2025)
SB 371 updates insurance requirements and reporting standards for TNCs such as Uber and Lyft. The bill lowers the minimum uninsured motorist and underinsured motorist coverage from $1 million to $60,000 per person and $300,000 per incident for the period when a passenger is in the vehicle and makes the TNC responsible for maintaining this coverage. It directs the CPUC and the Department of Insurance to jointly study whether these coverage levels are appropriate and report their findings to the Legislature by

December 31, 2030. The bill also requires the CPUC's annual reports to include new data beginning in 2026 on automobile accidents involving TNCs, related insurance claims, and the average fares paid by riders in specified six-month periods between 2025 and 2026.

OCTA Position – Monitor

Impact on OCTA: *The changes in insurance coverage and data reporting for TNCs may affect how these companies operate within Orange County and coordinate with OCTA's transit services. OCTA will monitor implementation for potential impacts on first- and last-mile connections, rider safety, and integration of TNCs into the regional transportation network.*